



**Nevada
Veterans Summit
2006**

Veterans Summit 2005

In February 2006, nearly 40 veterans and veteran advocates met in Tonopah to develop the foundation for the programs and initiatives of the Nevada Office of Veteran Services (NOVS). The following table summarizes the outcomes of that meeting and their current disposition. Shaded issues were added by Commission following the Summit.

Issue	Course	Outcome
Veterans tax exemption dates don't include all eras	NOVS to draft BDR outlining the definition of a veteran for inclusion within the NRS so it may be referred to throughout	BDR 0-638
Require deletion of social security numbers from veterans' documents submitted for recording	AB334 was passed during 2005 session, with an effective date of 1/1/07.	NOVS/Commission to write a letter to county recorders in late 2006.
\$100,000 cap on license plate funds to Veterans Home Gift Account	Develop point paper outlining situation. Look for legislative, executive, and public support. Draft BDR to eliminate situation.	BDR 37-637
Give extra license plate money to Cemeteries	Agency to submit BDR outlining use of those funds above \$100,000	Not directly being pursued through BDR or by NOVS.
Increase personal property tax exemption to \$5000	NOVS to draft property tax exemption BDR	BDR 32-639
Two sets of plates for purple heart, ex-POW, and disabled veterans	Senator Wiener & Care to submit BDR.	BDR 43-638
Spouse of military member killed on duty doesn't qualify for property tax	Can be resolved through NOVS BDR-1 or, if not, will be submitted through another	BDR 0-638
Waiver of fees for purple heart veterans within NV System of Higher Education	Legislator will submit BDR similar to 2005 session.	No BDR submitted as of 12/1/06.
Northern Nevada Veterans Home	NOVS submitted CIP request. Request earmark in Governor's budget. Determine if a joint resolution beneficial.	
US flag in every classroom	Parnell/Education Committee would look to drafting BDR	Not currently being pursued by NOVS staff.
Veterans' cemetery in Eastern Nevada	NOVS to determine feasibility and request joint resolution from leadership. Wait until 2009 Session to fund	NOVS Point Paper #3 published. Issue closed at this time.
Waiver of out of state tuition for permanent personnel of MWTC.	NOVS was invited to attend Board of Regents meeting to address issue in June.	Board of Regents directed the policy be changed to waive tuition.
Elko CBOC	Submitting issues to leadership for a joint resolution	New clinic opened and future CBOC in preliminary budget directions.
Save Walker Lake	Mineral County veterans recommended to look to joint resolution from Public Lands Committee	
Homeless Veteran Issue	Fund two service officers/grant writers to focus on homeless veterans	Not pursued at this time due to budget constraints
Flags for veteran graves	Agency to submit budget request once tabulation of veteran graves is completed	Not pursued at this time due to budget constraints
Rural/Northeast Service Officers	Fund a service officer for Elko through the budget request	
Protesting on/near cemeteries during ceremony	Federal statute provides coverage at National Cemeteries. State cemetery to be covered	BDR 37-636
Support Our Troops license plate and corresponding fund	NOVS needs to pursue plate and establish fund through DMV	
Property Tax Exemption for 100% Disabled Veterans	Agency BDR deadline passed. Commission could request a legislator sponsor. Possibility to amend BDR 32-639	Pending hearing of committees on BDR 32-639 or BDR 745.

Veteran and Military Related Issues of the 2007 Session

BDR #	Sponsor(s)	Intent
13	Senator Coffin	Provides for bonus to be paid to certain members of the Nevada National Guard and Reserves called to active duty to combat terrorism
R-37	Assemblyman Horne	Honors accomplishments of USAF Captain Nicole Malachowski
R-40	Assemblyman Anderson	Memorializes SGT Patrick Stewart of the Nevada Army National Guard
R-41	Assemblyman Anderson	Memorializes Chief Warrant Officer John Flynn of the Nevada Army National Guard
42	Assemblyman Anderson	Provides exemptions from certain taxes for surviving spouses of members of the Nevada National Guard killed during active duty
43-68	Senators Weiner & Care	Allows person who qualifies for specialty designed license plates as disabled veteran, ex-prisoner of war, recipient of the Purple Heart, or veteran of the attack on Pearl Harbor to be issued such license plates for additional vehicle
22-111	Senator McGinness	Enacts provisions regarding zoning, land use, and development near military installations, bases, and training areas
32-196	Assemblyman Parks	Provides exemption from governmental services tax for vehicles registered by resident of Nevada who is on active duty in the Armed Forces of the United States
272	Senator Mathews	Revises provisions governing appointment of public guardians and management of public guardian offices and cases
40-302	Committee on Health Care	Authorizes nursing assistants to administer medications in facilities for intermediate care and facilities for skilled nursing under certain circumstances
17- 310	Legislative Committee on Health Care (NRS 439B.200)	Establishes a statutory Legislative Committee on Child Welfare and Juvenile Justice and a statutory Legislative Committee on Senior Citizens and Veterans.
321	Carson City	Provides additional resources for funding of long-term care costs
342	Senator Tiffany	Provides for property tax exemption for certain senior citizens
R-386	Senator Heck	Provides for a legislative study concerning guardianships for adults
54-570	Nevada State Board of Examiners for Administrators of Facilities for Long-Term Care	Revising provisions governing the licensing and regulation of administrators of residential facilities, nursing facilities and intermediate care facilities
38-596	Aging Services Division	Revises provisions governing jurisdiction of advocates for residents of facilities for long-term care
37-636	Office of Veterans Services	Prohibits demonstrations at or near State Veterans Cemeteries
37-637	Office of Veterans Services	Revises provisions governing account to which the public may make contributions for veterans
0-638	Office of Veterans Services	Standardizes definition of term "veteran" as used in NRS
32-639	Office of Veterans Services	Increases amount of property tax exemption for veterans
85	Assemblywoman McClain	Provides sales tax holiday for senior citizens and creates Legislative Committee on Senior Citizens and Veterans
745	Senator Beers	Exempts fully disabled veterans from motor vehicle registration fees
775	Assemblywoman McClain	Establishes the Nevada Veterans Museum

Updated 12/1/06.

In addition, the Legislature will approve an Agency budget, fund the capital improvement program, including several projects within NOVS, and finalize a "one-shot" funding list of various State projects, including several at NSVH – Boulder City.

Agency Status

The Nevada Office of Veterans Services (NOVS) was created in 1947, through NRS 417. Its primary responsibility is to care for those currently serving in the military, veterans, and their families. This mission is accomplished through four distinct programs: two State Veterans Cemeteries, a State Veterans Home, a Guardianship program, and a Service Officer program. NOVS currently employs 215 employees (181 at the Home) in five locations. The current Agency budget is in excess of \$15.7 million, of which \$3 million is funded through General Fund appropriations and the remainder through other funding sources.

The Agency is administered through the Executive Director's Office in Reno. During 2006, the Executive Director and Deputy Executive Director retired and were or will be replaced through appointments by the Governor.

Nevada Veterans Memorial Cemeteries - There are two State Veterans Cemeteries, one located in Boulder City and the other in Fernley. The Boulder City Cemetery is the second busiest State Veterans Cemetery in the United States and, combined with Fernley interred over 2,000 veterans or their spouses during 2006. With the exception of the lack of a vehicle rotation program, fiscal resources were adequate to meet the needs of the Cemeteries. However, based on an analysis of the operation by VA's National Cemetery Administration, both Cemeteries are far below recommended staffing levels.



Both Cemeteries were expanded in the past five years utilizing VA funding. Due to the burial rates at both Cemeteries, we anticipate a need for expansion within the next five years. Currently, funding for an expansion in Boulder City is included in the Capital Improvement Program (CIP) submitted by Public Works. Additionally, expansion of single burial plots in Fernley may be necessary within the next two years. This is currently being evaluated by NOVS.

Both Cemeteries have been burdened by exponential increases in water costs. In addition, both Cemeteries are challenged by the quality of irrigation water provided and the damage it wreaks on vegetation and structures.

Nevada State Veterans Home (NSVH) – Opened in 2002, NSVH has become the crown of the Agency's operations. The Home is nearly at its 180-resident capacity and a waiting list is being used to fill openings. The Home's above projected census, combined with aggressive collection efforts, enabled the Agency to return more than \$2 million to the State's General Fund in FY06. Operation audits have repeatedly demonstrated the high quality-of-care and attention to detail the staff provides.

Unfortunately, the Home was constructed with various issues that remain unresolved and must be addressed in the near future. After securing funding in 2005, the Home constructed a new vehicle shelter to protect Agency vehicles and is about to receive a \$1.4 million grant from VA to fund a dining room expansion. This grant will fall short of the estimated \$2 million cost and additional State funding will be necessary during the 2007 legislative session.

In addition, all showers within the Home will need to be replaced because of structural failures and the accompanying water seepage into nearby rooms and areas. Also, the Home's computerized billing and clinical software must be replaced and has been included in the Agency's 2008 budget request.

Guardianship Program – The Agency provides fiscal guardianship services for 40 veterans deemed incompetent by VA to manage their financial matters. One staff member is charged with the daily operation and maintenance of this duty with a limited amount of oversight. Due to the extreme liability and high costs of this service, this program was identified by Agency leadership to be discontinued in the near future. The draft findings of the 2006 Executive Audit support this conclusion. Resources allocated to this function will be realigned to serve other roles and missions within the Agency.

Service Officer Program – Perhaps the program that has the greatest impact on the lives of Nevada's veterans is the Service Officer program. During FY06, seven state service officers were responsible for acquiring \$22 million in new veterans' compensation entitlements. Combined with the previous years' work, the veterans of Nevada now receive more than \$300 million in Federal benefits annually.



The seven Service Officers, located in Reno¹, Las Vegas, and Boulder City, are supported by three administrative staff members and together they attempt to serve Nevada's 300,000 veterans. This 42,000:1 ratio of veterans to Service Officers is more than four times the national average, thereby contributing to a below average number, and award amount, of veteran compensation claims. Rural outreach programs throughout the State continue to benefit many veterans residing in outlying areas who are otherwise unable to find adequate assistance with an extremely complicated process.

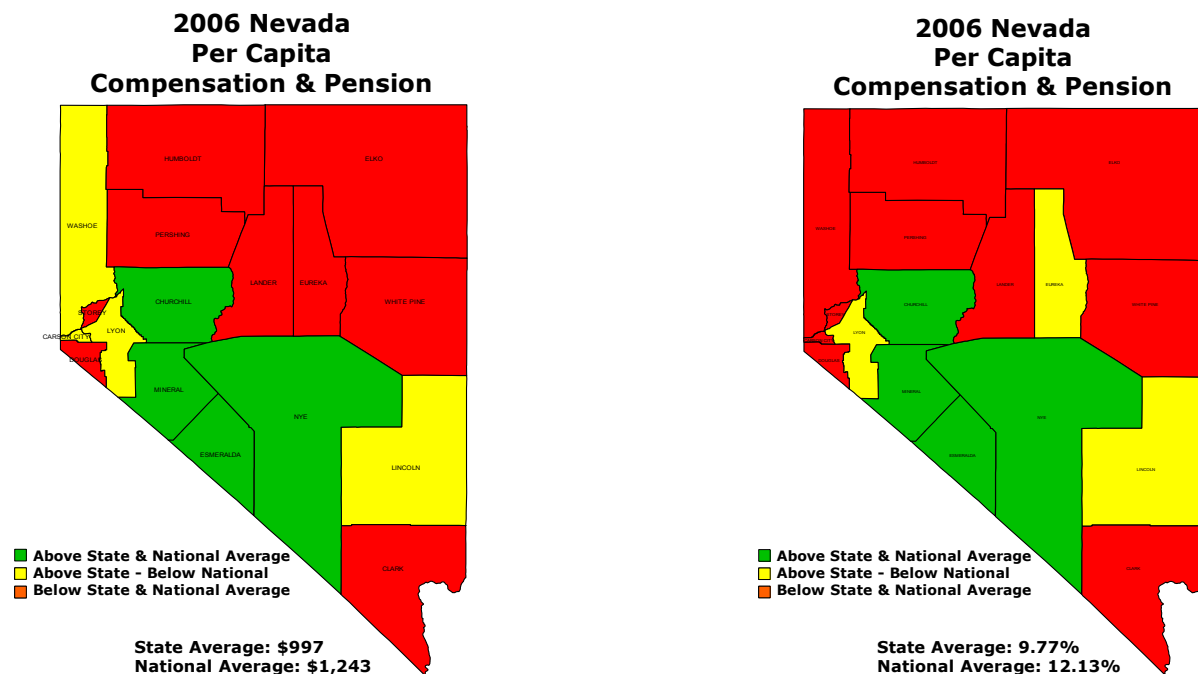
Recent Agency and Executive Audits identified a lack of Service Officers as the number one challenge in meeting the needs of Nevada's veterans. During his testimony before a subcommittee of the House Committee on Veterans' Affairs, the Executive Director was questioned by Congresswoman Berkley on what needs to be done to better meet the needs of Nevada veterans. Director Tetz replied, "If you don't have adequate representation of Service Officers out there . . . you miss out on claims and the ability to get them (veterans) the care they need."

¹ One Reno service officer works from an office provided by Churchill County in Fallon for portions of each week.

Agency Budget Proposal

Early in the State budget process, agencies are given the opportunity to meet with the Governor to discuss issues and concerns they hope to address during the upcoming budget. During the NOVS meeting, issues of concern identified during the Summit in February were discussed, along with other topics, such as the aging vehicles at the Cemeteries, license plate proceeds, and the Service Officer program.

A significant amount of the discussion revolved around Service Officers and data depicted below. Nationally, Nevada ranks 43 in the nation in per-capita veteran compensation and pension. Of Nevada's 17 counties, only four exceed the national average in both percentage of veterans served and entitlement amounts. If an enhanced Service Officer program was possible, Nevada could see an additional \$70 million in veteran compensation by merely reaching the national average. In Elko County alone, veterans would receive an additional \$2 million annually. The impact of these entitlements on Nevada, and especially the rural counties, would be significant.



Based on this data, NOVS submitted a budget which included an additional five Service Officers and three administrative support staff members. In total, NOVS proposed the addition of 12 staff members to meet the minimum needs of our Agency, not including NSVH. Spread across the two year biennium, the Agency will need \$1 million in FY08-09 to fund these staff additions. It is projected that the additional five Veteran Service Representatives alone would increase veteran entitlements to more than \$50 million annually.

NOVS Proposed General Fund Appropriation

Budget Account	FY07 Funding	Agency FY08	Agency FY09	% Change ('07 vs. '09)
#2560	\$1,176,771	\$2,028,099	\$2,348,555	+99.6%
#2561 (NSVH)	\$1,839,699	\$1,961,973	\$1,684,682	-8.4%
Agency Total	\$3,016,470	\$3,990,072	\$4,033,237	+33.7%

In 1979, the Nevada Legislature passed a budget cap statute that limits General Fund spending and only allows increases in correlation to population growth and inflation. The upcoming biennium is the first budget cycle in which the cap has become an issue, and since the statute requires the Governor to submit a proposed budget that does not exceed the cap, the Budget Office was forced to reduce agency submissions by more than \$1 billion in order to meet the mandated \$7.1 billion cap.

Nevada state agencies are funded either through enhancements or through a formula process. The Departments of Education, Health & Human Services, and several other agencies, are funded through formulas based on caseload, population growth, or other factors. NOVS is totally funded through General Fund appropriations and collection of Federal and other fees. Currently, NOVS funding is not tied to veteran population, caseload, or other growth factors. Every biennium the Agency must justify every portion of its budget and hope that additional operations or funding is approved by the Governor's Office and the Legislature.

On a statewide scale, the spending cap and appropriation method for NOVS collide and present significant challenges. In order to meet the need of agencies automatically funded through formulas and to meet the significant need of increased funding for road projects, prisons, and health facilities, all General Funding, and especially those considered enhancements, are being scrutinized and rarely accommodated. Simply, NOVS and other agencies funded through enhancements will not be able to grow as quickly as their needs dictate.

Specifically looking at NOVS' goals and requests, one can see the ultimate impact. If the State decided to prioritize the building of a Veterans' Home in northern Nevada, they would first be challenged to find over \$10 million in construction funding to generate VA matching grants. (Similar funding for comparable projects has been stalled for several biennium and looks to be for several more as we meet the transportation, prison, and student population needs.) Next, using our existing Home as a model, an annual appropriation of nearly \$2 million in General Funds would be necessary to fund Nevada's "share." This \$2 million would need to fall beneath the cap and therefore be taken from other agencies or carved from the small increases in the cap. This is not an impossible situation, but it is, at best, a challenging one.

On the positive side, for the first time since the establishment of NSVH, the Agency's budget account has been combined with the Home's for calculation purposes and management. This decision allows for Agency management of resources, increased flexibility in operations, and the ability to fund programs that otherwise couldn't stand alone. This was a significant decision and the implications are just beginning to be understood.

After many modifications, and based upon reductions offered by the Agency and imposed by current budget limitations, the following chart summarizes the current budget proposal submitted to the Legislature for review.

Budget Account	FY07 Funding	Agency FY08	Agency FY09	% Change ('07 vs. '09)
#2560	\$1,176,771	\$1,417,955	\$1,417,660	+20.5%
#2561 (NSVH)	\$1,839,699	\$1,073,652	\$1,070,120	-41.9%
Agency Total	\$3,016,470	\$2,491,607	\$2,487,780	-17.6%

Preliminary budget data indicates only three agencies are suffering a reduction in General Fund appropriations, but none approach the loss-level of NOVS. Specifically, of those programs and enhancements requested in the Agency budget, five new positions within NSVH and a modified

vehicle rotation program are recommended for funding. The Home's billing software is proposed to be funded through a "one-shot" appropriation that falls outside the cap. However, no new Service Officer positions are currently being recommended in the budget, despite the acknowledged need and dramatic impact these awards would have on Nevada and its veterans.

From another viewpoint, during the 2005 Legislative Session, the State of Nevada determined their share as a stakeholder in veteran care was \$3 million dollars; in essence investing \$10 for the care and support of every veteran. As proposed, the State of Nevada has determined their share for each veteran is now \$8. This was done despite the fact that for every dollar Nevada invests, NOVS returns \$425 in Federal entitlements and VA grants to the State's economy.

For the foreseeable future, Nevada will be forced to live beneath the budget cap. Based on this reality, and because of recent modifications in how the Agency is financially managed, it has become necessary to evaluate the budget and related requests from a different perspective.

Regardless of the budget outcome for the next biennium, the Agency realizes we must modify operations and review every staff position and how it relates to our mission and goals. In the coming months, significant changes will be necessary within the Agency to maximize staff efforts to better serve the needs of Nevada veterans. The State's budget requirements must be met and, consequently, the Agency will strive to incorporate available operational efficiencies while asking guidance from our various stakeholders. Any organizational changes the Agency considers will be directed toward meeting needs specific staff positions, originally requested in the Agency Budget, were intended to address.

Care for our nation's veterans is a debt owed by Federal, State, and, local governments. As the veterans population grows and the needs of our returning military increase, can we meet that obligation with less support from anyone? Every day, the media reports various state agencies asking for millions, or even billions of dollars, to meet the needs of their agencies. NOVS is offering increased services, revenue, and programs without costing the State any more than they committed in the past. Should other needs of the State supersede the basic functions of veterans' advocacy and care?



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Legislative Issues

During previous Legislative sessions, Nevada's veterans were undoubtedly perceived in several different ways. In the 1990's, the State's veterans service organizations were often viewed as disjointed lobbying groups who were unwilling to work together to provide a united opinion on veterans' issues. Subsequently, legislators were often confused as to which group to listen to or support. This changed when all of Nevada's veterans joined together to establish and fund the Nevada State Veterans Home.

Since then however, efforts to organize veterans' organizations into one solidified legislative voice have fallen short of the goal. Therefore, proposed veterans' programs and initiatives have been only moderately successful. In fact, there were very few legislative successes during the last session. This was a combined failure of NOVS, Legislators, and the veterans' community. If the collective voice of Nevada's 300,000 veterans could be heard in unison on any one initiative, there is little doubt that initiative would become reality.

Every veteran's service organization has a well-structured, highly effective legislative program on a national level. Few have the same on the state level. One of the responsibilities designated to NOVS is identified in NRS 417, which directs the Agency to support veterans' organizations. We propose to take that directive and the support of individual veterans and veterans' advocates throughout the State to develop a grass-roots effort with a single mission...supporting Nevada's veterans.

We won't be successful without participation. We will fail without communication and purpose. Veterans must stand shoulder to shoulder and speak for those unable or unwilling to speak. We need to compel our elected representatives and the public to thank veterans through actions and not just words. If successful, veterans become a priority and not just another constituent group. Only then will we pick up the paper to read 'Nevada's veterans deserve greater funding and more support' with the same sense of urgency as our roads, prisons, or education.



More than 20 bill draft requests (BDR) have been submitted to this year's Legislature relating to veterans, the military or other matters affecting NOVS. All must be closely followed and monitored. Several of these were identified by attendees during our previous Veterans Summit, as significant. These proposals will require the greatest support and effort as we attempt to forge a path for future veterans' initiatives.

Capital Improvement Project Requests

NOVS, in a cooperative arrangement with Public works, requested funding for eight projects under the Statewide Capital Improvement Project (CIP) program during the upcoming session. Prioritized, they are as follows:

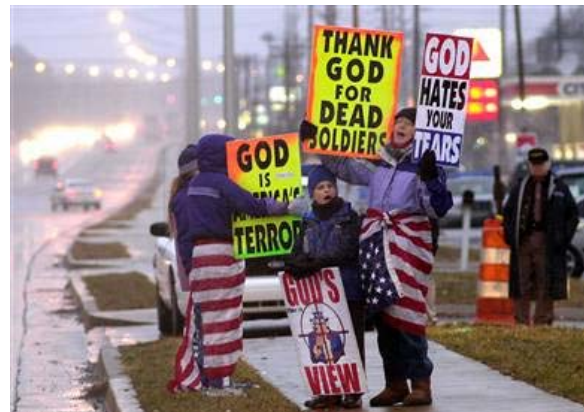
1. NSVH Central Dining Room Facility
2. Replace Roofing on Administrative Building & Chapel at SNVMC

3. ADA Paving & Curbing at NNVMC
4. Expansion of the SNVMC
5. Funding for the establishment of a Nevada State Veterans Home in northern Nevada.
6. Street Improvements for the SNVMC
7. HVAC Replacement at SNVMC
8. Replace the perimeter fence and columns and metal siding at SNVMC

The Public Works' Board is recommending the Legislature fund all these projects, with the exceptions of the Northern Nevada State Veterans' Home and the replacement of the perimeter fence and columns at the SNVMC. It will be incumbent upon the Agency and veterans to make sure the remaining six projects are funded.

BDR 37-636 – Prohibits demonstrations at or near State Veterans Cemeteries

When the “Respect for America’s Fallen Heroes Act” was signed into law on Memorial Day, most Americans believed the Act would end cemetery protests and protect the sacred gravesites of our fallen comrades. Unfortunately, this law does not extend to other public or private cemeteries, including state veterans’ cemeteries. This bill would limit the location and time of protests and protect the sanctity of the event.



No one, especially veterans, want to see our freedom of speech abridged, but when a service member has sacrificed his/her life in support of our rights, we owe them and their families nothing less than full respect and honor. Hopefully, Nevada’s Legislature will agree and enact limitations.

BDR 37-637 – Revises provisions governing accounts to which the public may make contributions for veterans

Since its inception, the entire issue of Veterans’ license plates and the related Veterans Home Gift Account has plagued NOVS and its veteran’s constituency. In 1993, the Legislature created the Nevada State Veterans Home Gift Account through NRS 417.145. This account is funded by private donations from individuals and organizations, combined with money from veterans who choose to waive all or a portion of their veterans tax exemption granted by NRS 361.0905. This account provides funding for special projects and programs not necessarily covered by other accounts or revenue sources within the Home.



In 2001, the Legislature established the veterans’ license plate program (NRS 482.3763). This legislation created military branch-specific license plates which could be purchased by a veteran and his/her parents and children. The perception was that funds generated from the sale of these license plates would be deposited into the Veterans Home Gift Account to support veterans. Most Nevadans who purchase plates consider their purchase to

be a "donation" to veterans; they never intended their donation to be utilized for anything other than veterans.

Originally, unspent veterans' license plate money reverted back to the State's General Fund at the end of a fiscal year. In 2005, veterans asked for a bill that would allow the Home to keep all funds generated through the sale of veterans' license plates. Unfortunately, the language legislators eventually adopted failed to accomplish this. In fact, the new language simply allowed the first \$100,000 to be allocated to the Veterans Home Gift Account, with any and all collections over and above that being placed in the General Fund. This creates a paradox in that these funds are treated as an offset to the Agency's State appropriated funds. Ironically, the outcome is that NOVS now controls less of veterans' license plate revenues than it did before the new language was adopted. Perhaps even more ironic is the fact that 2 out of every 3 veterans and their families who purchase veterans plates are actually donating to the State's General Fund.

This BDR will establish an Agency Gift Account, assuring revenue generated through the sale of veterans' license plates, and donations received on behalf of Nevada's veterans, are used in the manner in which the donor(s) intended. Each year, the first \$100,000 will be transferred into the Veterans Home Gift Account. The remainder will accrue to the Agency Gift Account to be used in statewide NOVS efforts, such as troop deployment support, enhanced outreach to homeless or low income veterans, and other programs having a positive impact on the lives of Nevada's veterans. Simply stated, this BDR will ensure the public's intention that these funds provide a "gift" to Nevada's veterans.

BDR 0-638 – Provides definition of “veteran”



It seems like an elementary question asked by young students on Veterans Day, but we haven't officially defined a "veteran" in Nevada. Within the Nevada Revised Statute (NRS) there are several references to the word "veteran" and yet, there are numerous descriptions of that veteran. In some places, Nevada doesn't recognize those who served since Vietnam as veterans. In others, active duty members aren't considered veterans. The intent of this bill is to define "veteran" in the most general sense.

In its draft form, the bill is over 80 pages long, but specifically includes the following:

“Armed Forces of the United States” means the United States Army, Navy, Marine Corps, Air Force, or Coast Guard or the reserve components thereof.”

“Veteran” means an actual bona fide resident of this State who was discharged or released from the Armed Forces of the United States under conditions other than dishonorable. The term includes a person who is serving on active duty in the Armed Forces of the United States and is an actual bona fide resident of this State.”